FILED

UNITED STATES DISTRICT COURT WESTERN DISTRICT OF TEXAS **AUSTIN DIVISION**

2006 APR 25 PM 3: 06

MICROSOFT CORPORATION, a Washington Corporation v. RYAN PITYLAK, an individual; MARK TROTTER, an individual; LEADPLEX, INC., a Nevada corporation; LEADPLEX,

PAYPERACTION, LLC, a Nevada limited liability company; and JOHN DOES 1-20,

CASE NO. A-05-CA-371-SS

STIPULATED FINAL JUDGMENT AND PERMANENT INJUNCTION

Microsoft Corporation ("Microsoft") and Ryan Pitylak ("Defendant") have entered into a binding Settlement Agreement resolving all issues between them. In exchange for the consideration set forth therein, and the parties agreeing to the entry of a Stipulated Final Judgment and Permanent Injunction, the Court Orders the following:

I. **Monetary Judgment**

LLC, a Nevada corporation;

It is ORDERED and ADJUDGED that Defendant is liable to Microsoft for damages in the total amount of One Million Dollars (\$1,000,000);

II. **Prohibited Practices**

It is further ORDERED that Defendant, his officers, agents, servants, employees, and attorneys, and those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise, are permanently enjoined from directly or indirectly:

- A. Creating, registering, or maintaining any email account, IP address, website or internet domain by providing false or misleading information to any provider of such services or to any domain-name or IP address registering authority, and using such account, address, website or internet domain in connection with the transmission of commercial electronic communications;
- B. Sending or transmitting, or directing, aiding, facilitating, or conspiring with others to send or transmit any commercial e-mail, or commercial electronic communication, bearing false, fraudulent, anonymous, inactive, deceptive, incomplete, or invalid header information, including without limitation the names of fictitious persons in the "from" or "reply to" lines of the header;
- C. Sending or transmitting, or directing, aiding, facilitating, or conspiring with others to send or transmit any commercial e-mail or other commercial electronic communication of any kind, to or through Microsoft or its members in a manner designed to evade Microsoft's anti-spam filtering and blocking processes or to obscure Defendants' connections to the transmission or to the products or services advertised or promoted therein;
- D. Sending or transmitting, or directing, aiding, facilitating, or conspiring with others to send or transmit any commercial e-mail, or commercial electronic communication without providing within the body of the message a legal (not fictional) name of true sender of the e-mail or communication, meaning the legal name of a natural person or the name of the incorporated legal entity who paid for the transmission of the message and whose services or products are promoted within the body of the message, together with such person or entity's legal residence or designated address for accepting service of process;
- E. Sending or transmitting, or directing, aiding, facilitating, or conspiring with others to send or transmit any commercial e-mail, or commercial electronic communication, without providing within the body of the message a "valid physical postal address," meaning either (a) the geographic street address where the sender conducts its actual business operations (e.g., principal place of business); or (b) as to a corporation, the corporation's designated address for accepting service of process;
- F. Sending or transmitting, or directing, aiding, facilitating, or conspiring with others to send or transmit any e-mail, or electronic communication with false or misleading subject lines, including without limitation, subject lines which suggest a prior or pending business transaction where none has transpired in fact;
- G. Sending or transmitting, or directing, aiding, facilitating, or conspiring with others to send or transmit any electronic communication of any kind, to or through Microsoft or its members, in a manner that does not fully comply with all then-publicly available email policies published by Microsoft, including MSN's Terms of Use currently located at http://privacy.msn.com/tou/, and Microsoft's Anti-Spam Policy, currently located at http://privacy.msn.com/anti-spam/;

- H. Using, or directing, aiding, facilitating or conspiring with others to use Microsoft's computers or computer networks in any manner, directly or indirectly, in connection with the transmission of any unlawful electronic communication across the Internet;
- I. Opening, creating, obtaining access to, and/or using in any way, or directing, aiding, facilitating, or conspiring with others to open, create, obtain access to, and/or use in any way, any Microsoft membership or account by providing any false or misleading information; and
- J. Acquiring, compiling or transferring for commercial purposes Microsoft e-mail addresses or e-mail addresses that contain "hotmail", "msn" or "Microsoft" in the domain or any other domain name registered to Microsoft without an existing and provable relationship with the MSN Hotmail member.

III. Retention of Jurisdiction

It is further ORDERED that this Court shall retain jurisdiction of this case in law and equity for purposes of enforcing and/or adjudicating claims of violations of this Stipulated Final Judgment and Permanent Injunction or of disputes arising in connection with the Settlement Agreement between Microsoft and Defendant. Any such matters shall be raised by noticed motion.

Signed this <u>25 and day of april</u>, 2006.

The Honorable Sam Sparks United States District Judge

IT IS SO STIPULATED.

DATED: March , 2006

Microsoft Corporation, a Washington Corporation

By:

April
DATED: March _ (th., 2006

Ryan Pitylak, an individual

APPROVED AS TO FORM:

DATED: March 19, 2006

WSBA No. 14262

Robert J. Dzielak

WSBA No. 26178 Preston Gates Ellis, LLP

925 Fourth Avenue, Suite 2900

Seattle, WA 98104 Phone: (206) 623-7580

Fax: (206) 623-7022

John R. Nelson

State Bar No. 00797144

100 Congress Avenue, Suite 300

Austin, Texas 78701 Phone: (512) 305-4868

Fax: (512) 305-4800

ATTORNEYS FOR PLAINTIFF MICROSOFT CORPORATION

3y: 4

Wm. Paul Lawrence, II

State Bar No. 24004130

Lawrence Arenella Satija LLP

3600 Bee Caves Road

Suite 200

Austin, Texas 78746

ATTORNEYS FOR RYAN PITYLAK

4

DATED: March 31, 2006

| IT IS SO STIPULATED. | |
|-------------------------------|--|
| DATED: April <u>/3</u> , 2006 | Microsoft Conforation, a Washington Corporation Ly: Aaron F. Kolobban, its Attorney |
| DATED: April, 2006 | Ryan Pitylak, an individual |
| APPROVED AS TO FORM: | |
| DATED: April, 2006 | |
| | David Bateman WSBA No. 14262 Robert J. Dzielak WSBA No. 26178 Preston Gates Ellis, LLP 925 Fourth Avenue, Suite 2900 Seattle, WA 98104 Phone: (206) 623-7580 Fax: (206) 623-7022 John R. Nelson State Bar No. 00797144 100 Congress Avenue, Suite 300 Austin, Texas 78701 Phone: (512) 305-4868 Fax: (512) 305-4800 ATTORNEYS FOR PLAINTIFF MICROSOFT CORPORATION |
| DATED: March, 2006 | By: |

Austin, Texas 78746

ATTORNEYS FOR RYAN PITYLAK